



Brian P. Kemp, Governor

Frank W. Berry, Commissioner

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July 1, 2019

MEMORANDUM

TO: Interested Parties
FROM: Stacey Hillock, Executive Director
Office of Health Planning
SUBJECT: Update of Certificate-of-Need (CON) Thresholds

On July 1, 2019, the following CON thresholds become effective:

<u>Category</u>	<u>Thresholds Effective 7/1/2019</u>
Capital Expenditures, O.C.G.A. § 31-6-40(a)(2)	\$ 10,000,000.00
Single-Specialty Physician-Owned Ambulatory Surgery Facilities, O.C.G.A. § 31-6-47(a)(18)	\$ 3,215,096.00
Joint Venture Ambulatory Surgery Centers, O.C.G.A. § 31-6-47(a)(19)	\$ 6,430,191.00
Equipment Acquisition (Excluding PET Services), O.C.G.A. § 31-6-47(a)(28)	\$ 3,000,000.00
Equipment Repair or Replacement, O.C.G.A. §§ 31-6-47(a)(10)	\$ 870,000.00

Pursuant to O.C.G.A. §§ 31-6-40(a)(2) and 31-6-2(14), calculation of the CON threshold is made using the Private Fixed Investment in Structures Index (PFI), which is published annually by the U.S. Department of Commerce’s Bureau of Economic Analysis (BEA). The annual percentage of change in the PFI Index is calculated and applied to the prior year’s thresholds to derive the dollar change and the final updated thresholds. These calculations are shown below:

2017 Private Fixed Investment Index – Revised June 27, 2019	118.939
2018 Private Fixed Investment Index – Revised June 27, 2019	124.617
Annual Percent Change, Cumulative 2017 to 2018	4.774%

Sources:

Private Fixed Investment in Structures - United States Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts, Private Fixed Investment in Structures by Type Index (Table 5.4.4U), Revised June 27, 2019.

Calculated by: Office of Health Planning, Department of Community Health